

MINUTES  
FULSHEAR MUNICIPAL UTILITY DISTRICT NO. 1 OF FORT BEND COUNTY

September 1, 2022

The Board of Directors (the "Board") of Fulshear Municipal Utility District No. 1 of Fort Bend County (the "District") met in regular session, open to the public, on the 1<sup>st</sup> day of September, 2022, at the offices of Allen Boone Humphries Robinson LLP, 3200 Southwest Freeway, Houston, Texas, outside the boundaries of the District, with supplemental access for the public provided by telephone conference, and the roll was called of the members of the Board:

Brooks D. Tueting	President
John Verburg	Vice President
Ronald Catchings	Secretary
Eugene R. Baker	Assistant Secretary/ Asst. Vice President
Todd Gnospelius	Assistant Secretary/ Asst. Vice President

and all of the above were present, thus constituting a quorum.

Also present at the meeting in person or via telephone conference were: Patricia and Kerry Mollere, and Donald and Jacqui Fryhofer, residents of the District; Julie Peak and Christine Crotwell of Masterson Advisors LLC ("Masterson"); Julia McCain of McCall Gibson Swedlund Barfoot PLLC ("McCall"); Alex Khoshakhlagh and Akquan Williams of Costello, Inc. ("Costello"); Marissa Iguess of Myrtle Cruz, Inc; Shammarie Leon of Bob Leared Interests; Bill Sweitzer of Sweitzer & Associates ("S&A"); Adam Swonke of Gleannloch Landscaping & Maintenance Company ("Glamco"); Dave Cannon of Trend Development, Inc.; and Katie Carner, and Melissa Padilla of Allen Boone Humphries Robinson LLP ("ABHR").

COMMENTS FROM THE PUBLIC

Mr. Mollere addressed the Board regarding concerns relating to the erosion repairs behind Lake Hill Farm Way. He also reported concerns related to the possible use of herbicides on the District property adjacent to his property. Mr. Khoshakhlagh stated the contract for the erosion repairs has been awarded. He stated he would discuss the project under the engineers report.

Mr. Fryhofer addressed the Board regarding concerns relating to the maintenance of the District property behind his residence and other landscape matters in Fulbrook on Fulshear Creek, Section 9. Ms. Carner stated that Mr. Swonke will address this matter under the mowing and maintenance report.

## MINUTES

The Board considered approving the regular meeting minutes of July 27, 2022. After review and discussion, Director Gnospelius moved to approve the regular meeting minutes of July 27, 2022, as presented. Director Catchings seconded the motion, which passed unanimously.

## DISTRICT WEBSITE MATTERS

There was no discussion on this agenda item.

## APPROVE AUDIT FOR FISCAL YEAR END APRIL 30, 2022

Director Verburg entered the meeting.

Ms. McCain reviewed a draft audit report for the fiscal year ended April 30, 2022. Following review and discussion, Director Catchings moved to approve the audit report, subject to final review, and direct that the audit report be filed appropriately and retained in the District's official records. Director Gnospelius seconded the motion, which passed by unanimous vote.

## FINANCIAL AND BOOKKEEPING MATTERS

Ms. Iguess reviewed the bookkeeper's report, a copy of which is attached, including the monthly investment report and budget comparison, and the bills presented for payment from the District's accounts. Following review and discussion, Director Catchings moved to approve the bookkeeper's report and payment of the bills. Director Gnospelius seconded the motion, which passed by unanimous vote.

## TAX ASSESSMENT AND COLLECTIONS MATTERS

Ms. Leon reviewed the tax assessor/collector's report, a copy of which is attached. Following review and discussion, Director Catchings moved to approve the tax assessor/collector's report and payment of the tax bills. Director Gnospelius seconded the motion, which passed by unanimous vote.

## DISCUSSION OF 2022 TAX RATE, SET PUBLIC HEARING DATE, AND AUTHORIZE NOTICE OF PUBLIC HEARING

The Board considered the District's 2022 tax rate. Ms. Peak distributed and reviewed a debt service tax rate analysis reflecting the recommendation for the District to levy a 2022 debt service tax rate of \$0.80 per \$100 of assessed valuation. A copy of the debt service tax rate analysis is attached. The Board then discussed the District's operation and maintenance tax rate. Ms. Peak discussed the two-step process for setting the District's tax rate.

Following review and discussion, Director Catchings moved to (1) set the public hearing date for September 28, 2022, at the Lodge within the District; and (2) authorize notice to be published of the District's meeting on September 28, 2022, and to set the proposed 2022 total tax rate of \$0.92 per \$100 of assessed valuation, with \$0.80 allocated for debt service and \$0.12 allocated for operations and maintenance. Director Verburg seconded the motion, which passed by unanimous vote.

#### SERIES 2022A UNLIMITED TAX ROAD BONDS ("SERIES 2022A ROAD BONDS")

Ms. Peak reviewed a draft cash flow for the District's potential issuance and sale of the Series 2022A Road Bonds. She requested authorization to prepare the Preliminary Official Statement and Official Notice of Sale for the proposed Series 2022A Road Bonds.

Mr. Khoshakhlagh discussed the projects to be included in the Series 2022A Road Bond issue.

The Board considered authorizing McCall to prepare a developer reimbursement report in connection with the Series 2022A Road Bonds.

Following review and discussion, Director Verburg moved to (1) authorize the preparation of Preliminary Official Statement and Official Notice of Sale for the Series 2022A Road Bonds; and (2) authorize McCall to prepare the developer reimbursement report in connection with the Series 2022A Road Bonds. Director Catchings seconded the motion, which passed by unanimous vote.

#### ENGINEERING MATTERS

Mr. Khoshakhlagh reviewed the engineer's report, a copy of which is attached.

#### FULBROOK ON FULSHEAR CREEK, SECTION 7 WATER, SEWER, AND DRAINAGE FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 7, as reflected in his report. He reviewed and recommended approval of a Final Quantity Adjustment, a deduction of \$2,978.64 submitted by Hurtado Construction Company ("Hurtado").

#### FULBROOK ON FULSHEAR CREEK, SECTION 7 PAVING FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the paving facilities to serve Fulbrook on Fulshear Creek, Section 7, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$905,628.15 and a Final Quantity Adjustment, a deduction of \$2,176.00, submitted by Hurtado.

FULBROOK ON FULSHEAR CREEK, SECTION 11

Mr. Khoshakhlagh updated the Board on the status of design of the water, sewer, drainage, and paving facilities to serve Fulbrook on Fulshear Creek, Section 11, as reflected in his report. He updated the Board regarding discussions with the City of Fulshear (the "City") regarding access to the proposed water plant site located within the section.

FULBROOK ON FULSHEAR CREEK, SECTION 17 WATER, SEWER, AND DRAINAGE FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 17, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 2 in the amount of \$779,389.20, submitted by Briggs Brothers Enterprises Corporation ("Briggs").

FULBROOK ON FULSHEAR CREEK, SECTION 17 PAVING FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the paving facilities to serve Fulbrook on Fulshear Creek, Section 17, as reflected in his report.

FULBROOK ON FULSHEAR CREEK, SECTION 18 WATER, SEWER, AND DRAINAGE FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 18, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$169,579.98 submitted by Blazey Construction Services ("Blazey").

FULBROOK ON FULSHEAR CREEK, SECTION 18 PAVING FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the paving facilities to serve Fulbrook on Fulshear Creek, Section 18, as reflected in his report.

FULBROOK ON FULSHEAR CREEK, SECTION 19 WATER, SEWER, AND DRAINAGE FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the water, sewer, and drainage facilities to serve Fulbrook on Fulshear Creek, Section 19, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 1 in the amount of \$239,761.80 submitted by Briggs.

### FULBROOK ON FULSHEAR CREEK, SECTION 19 PAVING FACILITIES

Mr. Khoshakhlagh updated the Board on the status of construction of the paving facilities to serve Fulbrook on Fulshear Creek, Section 19, as reflected in his report.

### DRAINAGE STUDY

There was no discussion on this agenda item.

### MASS GRADING AND REGIONAL DETENTION/ AMENITY POND

Mr. Khoshakhlagh updated the Board on the status of construction of the mass grading and regional detention/amenity pond, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 5 in the amount of \$744,835.50, submitted by Briggs.

### DETENTION POND TO SERVE THE COMMERCIAL TRACTS

Mr. Khoshakhlagh updated the Board on the status of construction of the detention pond to serve the commercial tracts, as reflected in his report. He reviewed and recommended approval of Pay Estimate No. 3 and Final in the amount of \$109,518.11, submitted to Hurtado.

### PARKSIDE PASSAGE DRIVE RECREATION CENTER

Mr. Khoshakhlagh updated the Board on the status of the water, sewer, drainage, and paving facilities to serve the Parkside Passage Drive Recreation Center. He stated Mr. Sweitzer will provide an update under his report.

### EROSION REPAIRS

Mr. Khoshakhlagh updated the Board on the status of the erosion repairs along Fulshear Creek, behind 4811 Legend Creek Drive and 5307 Lake Hill Farm Way, as reflected in his report. Mr. Khoshakhlagh updated the Board on the status of the erosion repairs along Fulshear Creek, behind 5423 Lake Hill Farm Way, as reflected in his report. He stated the contractor likely will be able to complete the erosion repairs by the end of October. The Board requested that Costello inquire with the contractor if the work could be completed sooner.

Following review and discussion, and based on the engineer's recommendation, Director Catchings moved to (1) approve the engineer's report; (2) approve the Final Quantity Adjustment, a deduction of \$2,978.64 submitted by Hurtado; (3) approve Pay Estimate No. 1 in the amount of \$905,628.15 and the Final Quantity Adjustment, a deduction of \$2,176.00, submitted by Hurtado; (4)

approve Pay Estimate No. 2 in the amount of \$779,389.20, submitted by Briggs; (5) approve Pay Estimate No. 1 in the amount of \$169,579.98 submitted by Blazey; (6) approve Pay Estimate No. 1 in the amount of \$239,761.80 submitted by Briggs; (7) approve Pay Estimate No. 5 in the amount of \$744,835.50, submitted by Briggs; and (8) approve Pay Estimate No. 3 and Final in the amount of \$109,518.11, submitted by Hurtado. Director Verburg seconded the motion, which passed unanimously.

#### OTHER ENGINEERING MATTERS

Mr. Khoshakhlagh updated the Board regarding the previously discussed resident request for the installation of turf and temporary irrigation behind Nodding Thistle Trail. He noted Glamco would present a proposal for the work under the mowing and maintenance item.

Mr. Khoshakhlagh updated the Board regarding the previously approved proposal for an updated District Map. He stated that Aerial Imaging.net ("Aerial") agreed to schedule the photography in December.

Mr. Khoshakhlagh updated the Board regarding the Series 2022A Road Bonds and requested authorization by the Board for the preparation of the summary of costs. He then reviewed Work Order No. 83 for engineering services related to the Series 2022A Road Bond issue.

Mr. Khoshakhlagh reported on correspondence received from a resident regarding an area of erosion and settlement behind their residence on Parkside Passage. He stated that after investigation, Costello notified the homebuilder that it appears their fence contractor did not properly compact the area. Mr. Khoshakhlagh stated Costello did not find any District issues.

Following review and discussion, and based on the engineer's recommendation, Director Catchings moved to (1) approve the preparation of the summary of costs for the Series 2022A Road Bond issue; (2) approve Work Order No. 83 for engineering services related to the Series 2022A Road Bonds. Director Verburg seconded the motion, which passed unanimously.

#### DEEDS AND EASEMENTS, PHASE I ENVIRONMENTAL PROPOSALS, AND CONSENTS TO ENCROACHMENT OF EASEMENTS

There was no discussion on this agenda item.

#### UTILITY COMMITMENTS

There was no discussion on this agenda item.

## UTILITY CONVEYANCE AND SECURITY AGREEMENTS

There was no discussion on this agenda item.

## PARK PROJECTS

Mr. Sweitzer reviewed the landscape architect's report, a copy of which is attached.

Mr. Sweitzer updated the Board on the status of the construction of landscape development to serve Fulbrook on Fulshear Creek, Sections 9, 10, 15, and 16, as reflected in his report. He noted that due to supply chain issues, the City of Fulshear ("the City") is not able to install the water meters. Mr. Sweitzer stated he is working with Costello and ABHR to explore options with the City to obtain the water meters needed to proceed.

Mr. Sweitzer presented the previously approved contract from Earth First Landscapes, for the landscape development of Fulbrook on Fulshear Creek, Section 6 for execution by the Board.

Mr. Sweitzer updated the Board on the status of the design of the Parkside Passage Recreation Center.

Mr. Sweitzer updated the Board on the status of the trailhead closure and remediation work. He requested Glamco to provide an update on the completion of the work.

Mr. Sweitzer requested an agenda item be added for repairs to the roundabout pavers on Fulshear Trace. Discussion ensued. Mr. Sweitzer presented one estimate in the amount of \$26,000 for the repairs. He requested the Board authorize him to solicit for additional proposals to be presented at the next meeting. Following discussion, the Board concurred to authorize Mr. Sweitzer to solicit for additional proposals for the paver repairs at the roundabout on Fulshear Trace.

Mr. Sweitzer reported on correspondence with a resident on Creek Bend Drive regarding damage to the District's perimeter wall behind the house reportedly caused by a lawnmower and distributed images regarding the same, copies of which are included in his report. He stated that bids were received for the replacement of one fence panel from Fencecrete America, Inc. ("Fencecrete") and American Wall Systems, Inc. Mr. Sweitzer recommended that the contract be awarded to the lowest bidder, Fencecrete, in the amount of \$3,480.00. Discussion ensued regarding other possible damage to the District's greenway enhancements perimeter walls. The Board requested that Glamco and Mr. Sweitzer inspect all District fence panels to identify any additional areas in need of repairs before proceeding with the repairs on Creek Bend Drive.

## MOWING AND MAINTENANCE OF DISTRICT PROPERTY

Mr. Swonke updated the Board on the status of mowing and maintenance of District property, including previously authorized repairs.

The Board reviewed correspondence from a resident regarding the maintenance and irrigation of District property located adjacent to Thicket Court, as reflected in his report. Mr. Swonke stated the recent rains have revitalized the landscaping. After discussion, the Board took no action.

The Board reviewed correspondence from a resident regarding the maintenance of the drainage reserve in Fulbrook on Fulshear Creek, Section 16 located adjacent to Hawthorn Glen Court, as reflected in Mr. Swonke's report.

Mr. Swonke reviewed a proposal for initial vegetation clean-up and maintenance of the drainage reserve in Fulbrook on Fulshear Creek, Section 16 in the amount of \$2,500.00. He recommended the Board also authorize regular maintenance at a cost of \$109.60 per visit, as reflected in his report.

The Board discussed the existing silt fence along sections of Fulbrook on Fulshear Creek, Section 6, and noted that several residents have made complaints regarding the silt fence. Mr. Sweitzer stated he would contact the landscape development contractor regarding the same.

Mr. Swonke presented a proposal in the amount of \$1,650.00 for the installation of turf and temporary irrigation behind Nodding Thistle Drive. He noted the Board deferred action on this item until the fall.

Mr. Swonke reviewed a proposal for the removal of two downed trees in the creek adjacent to Streamside Trail in the amount of \$2,750.00. Discussion ensued.

The Board discussed public comments and correspondence from Mr. Fryhofer regarding the reserves in Fulbrook on Fulshear Creek, Section 9, including the location of wetland areas. A copy of the correspondence is attached. Mr. Khoshakhlagh presented a map of the wetland areas. The Board also reviewed correspondence from another resident requesting the clearing of weeds in the Fulbrook on Fulshear Creek, Section 9 reserves, a copy of which is attached to these minutes.

Mr. Swonke reviewed a proposal in the amount of \$6,690.00 for the initial clean-up of the reserves in Fulbrook on Fulshear Creek, Section 9. Discussion ensued regarding ongoing maintenance for same. Following review and discussion, the Board directed Mr. Swonke to prepare a proposal for maintenance of the reserves from the fence line to the District storm sewer line and inlet to facilitate the operation and maintenance of the District's drainage facilities.



The Board discussed correspondence from a resident requesting additional erosion control measures behind Lodge Lake Drive, a copy of which is attached. Mr. Swonke noted the Board had approved a proposal for repairs and recommended proceeding with the work from the previously approved proposal.

After review and discussion, Director Catchings moved to (1) approve the proposal for an initial clean-up and maintenance of the drainage reserve in Fulbrook on Fulshear Creek, Section 16 in the amount of \$2,500.00 and approve the proposal for regular maintenance at a cost of \$109.60 per visit; (2) approve the proposal for the installation of turf and temporary irrigation behind Nodding Thistle in the amount of \$1,650.00; (3) approve the proposal for the removal of two downed trees in the creek adjacent to Streamside Trail in the amount of \$2,750.00; (4) approve the proposal for the initial clean-up of the reserves in Fulbrook on Fulshear Creek, Section 9 in the amount of \$6,690.00; and (5) direct Glamco to proceed with the previously approved repairs behind Lodge Lake Drive. Director Gnospelius seconded the motion, which passed unanimously.

#### REPORT ON DEVELOPMENT

Mr. Cannon updated the Board on development in the District.

#### ATTORNEY'S REPORT

There was no discussion on this item.

#### CITY MATTERS

There was no discussion on this item.

#### REVIEW OF MASTER AGREEMENT FOR PROFESSIONAL LANDSCAPE ARCHITECTURE SERVICES WITH S&A

The Board deferred consideration of this agenda item until the October regular meeting.

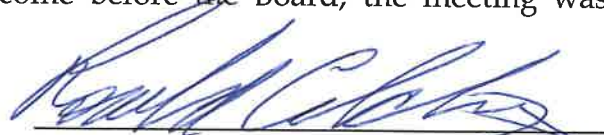
#### COMMENTS FROM THE PUBLIC (CONT'D)

There were no additional public comments.

There being no further business to come before the Board, the meeting was adjourned.

(SEAL)



  
Secretary, Board of Directors

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